

## **REMARKS/ARGUMENTS**

Claims 1-2, 4-24, and 42 are pending in the present application. Claims 3, and 25-41 were canceled; claims 1, 2, 4-9, 13 and 23-24 were amended. Claim 42 is a newly added claim. Support for the amendments and newly added claim may be found in the Specification at least in paragraphs [0007]-[0016], [0029], paragraphs [0048]-0055] and Figure 4. No new matter has been added by the amendments to the claims. Applicants have amended some claims and canceled others. Applicants are not conceding in this application that those claims are not patentable, as the present claim amendments and cancellations are only for facilitating expeditious prosecution of the remaining claims. Applicants respectfully reserve the right to pursue these and other claims, including the subject matter encompassed by the claims as presented prior to this Amendment, in one or more continuations and/or divisional patent applications.

### **I. Examiner Interview**

Applicant thanks Examiner Khattar for all the courtesies extended Applicants' representative during the July 15, 2008 telephone interview. During the interview, Applicants' representative discussed the rejections of the claims under 35 U.S.C. §112, 35 U.S.C. §101, and the manner in which the cited prior art references fail to teach or suggest the features recited in claim 1. The Examiner indicated that he would consider the arguments and amendments when submitted. The arguments discussed as well as additional reasons that the claims are not anticipated are set forth in the remarks below.

### **II. 35 U.S.C. § 101**

The examiner has rejected claims 1-24 under 35 U.S.C. § 101 as being directed towards non-statutory subject matter. Claim 1 recites a computer implemented method in which a needs list is received by "a first computer system" and searching available items "over a network." Therefore, claim 1 does not recite purely metal steps. Claim 1 is directed towards statutory subject matter. Thus, the rejection is respectfully traversed.

### **III. 35 U.S.C. § 112, Second Paragraph**

The examiner has rejected claims 1-41 under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter, which applicants regard as the invention. Appropriate correction has been made. Thus, this rejection is

respectfully traversed. Therefore the rejection of claims 1-41 under 35 U.S.C. § 112, second paragraph has been overcome.

#### **IV. 35 U.S.C. § 103, Obviousness**

The examiner has rejected claims 1-2, 5, 7, 9, 23-26, 32-33, 36, 38 and 40-41 under 35 U.S.C. §103 as being unpatentable over Sheets, US Patent Application No 2001/0049653 in view of Flickinger et al., US Patent Application No. 2001/0025245 and further in view of Ibuki et al., US Patent Application No. 2003/0041058. This rejection is respectfully traversed.

#### **IV.A. Independent Claim 1**

Independent claim 1 is as follows:

1. A computer implemented method for carrying out a bartering system over a network, the computer implemented method comprising:
  - receiving a needs list having at least one needed item a user desires to acquire from a requesting computer system, by a first bartering system on a first computer system;
  - receiving a priority indication for the at least one needed item, wherein the priority indication indicates a level of desire the user has in acquiring the at least one needed item, and wherein the priority indication indicates items that are equivalent to the at least one needed item;
  - receiving a specification of a range of near equivalency among non-identical barter items;
  - searching available items within the first bartering system using a first protocol language associated with the first bartering system;
  - responsive to a failure to find a match in the available items with the at least one needed item within the first bartering system on the first computer system, searching a second bartering system on a second computer system over a network, wherein the second bartering system uses a second bartering protocol language that is different than the first protocol language, and wherein searching the second bartering system further comprises:
    - constructing a representation of the needs list in the first protocol language to a common representation of the needs list to form a barter protocol language representation of the needs list, wherein the bartering protocol language enables a bartering process to be compatible across multiple different bartering systems;
    - searching available items within the second bartering system using the barter protocol language representation of the needs list; and
    - responsive to finding a match in the available items for the at least one needed item, displaying match results to the user, wherein the match results comprises equivalent and near equivalent items matched with the at least one needed item based on the priority indication for the at least one needed item and the specification of the range of near equivalency among non-identical barter items;
    - responsive to a failure to find a match in the available items within the second bartering protocol system, searching available items in a third bartering

system over the network using the barter protocol language representation of the needs list.

Regarding claim 1, the Examiner states:

Sheets discloses a method for carrying out a bartering system over a network, comprising:

receiving a needs list having at least one needed item a user desires to acquire ([0026]); receiving a priority indication for the at least one needed item ([0026]), wherein the priority indication indicates a level of desire the user has in acquiring the at least one need item ([0026]);

Sheets fails to specifically disclose wherein the priority indication indicates items that are equivalent to the at least one needed item;

However, Flickinger discloses wherein the priority indication indicates items that are equivalent to the at least one needed item ([0070], [0073], search for comparable items).

Therefore, it would have been obvious to a person having ordinary skills in the art at the time the invention was made to modify the disclosure of Sheets to include the disclosure of Flickinger. The motivation for combining these references would be to search for comparable or "better" items/prices as illustrated by Flickinger.

Moreover, Sheets and Flickinger do not specifically disclose constructing the needs list with the priority indication into a barter protocol language; and searching available items for a match with each of the at least one needed item based upon the priority indication wherein an item having a lower priority indication is matched as being equivalent to the at least one needed item only if an item having a higher priority is not found.

However, Ibuki discloses these features ([0077], [0079], [0087], claims 11 - 12, 33-34, 55-56).

Therefore, it would have been obvious to a person having ordinary skills in the art at the time the invention was made to modify the disclosure of Sheets, Flickinger to include the disclosure of Ibuki. The motivation for combining these references would be to present to the user an alternative value to be specified for an item in order to automatically widen the search criteria as illustrated by Ibuki.

Office Action dated June 10, 2008, pages 4 and 5.

The Examiner bears the burden of establishing a *prima facie* case of obviousness based on prior art when rejecting claims under 35 U.S.C. § 103. *In re Fritch*, 972 F.2d 1260, 23 U.S.P.Q.2d 1780 (Fed. Cir. 1992). The prior art reference (or references when combined) must teach or suggest all the claim limitations. *In re Royka*, 490 F.2d 981, 180 USPQ 580 (CCPA 1974). In determining obviousness, the scope and content of the prior art are... determined; differences between the prior art and the claims at issue are... ascertained; and the level of ordinary skill in the pertinent art resolved. Against this background the obviousness or non-obviousness of the subject matter is determined. *Graham v. John Deere Co.*, 383 U.S. 1 (1966). Often, it will be necessary for a court to look to interrelated teachings of multiple patents; the

effects of demands known to the design community or present in the marketplace; and the background knowledge possessed by a person having ordinary skill in the art, all in order to determine whether there was an apparent reason to combine the known elements in the fashion claimed by the patent at issue. *KSR Int'l. Co. v. Teleflex, Inc.*, No. 04-1350 (U.S. Apr. 30, 2007). Rejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness. *Id.* (citing *In re Kahn*, 441 F.3d 977, 988 (CA Fed. 2006)).

**IV.A.i. The proposed combination of the references, considered as a whole, does not teach or suggest the feature of “searching a second bartering system on a second computer system over a network, wherein the second bartering system uses a second bartering protocol language that is different than the first protocol language.”**

The cited references, either alone or in combination, fails to teach or suggest “responsive to a failure to find a match in the available items with the at least one needed item within the first bartering system on the first computer system, searching a second bartering system on a second computer system over a network, wherein the second bartering system uses a second bartering protocol language that is different than the first protocol language,” as claimed in claim 1. The Examiner cites to *Ibuki* at paragraph [0077] which states:

[0077] FIG. 11 shows an example of another embodiment of the search criteria generator 13. In this example, like the example shown in FIG. 10, an item DB containing all the values for the item that are held in the database 15 is provided for each of items in the database 15 that are to be searched through. If no entry that matches a value specified in a search request is found in an item DB, similar entries are retrieved and presented to the user as alternative item value candidates from which the user can make a selection.

Here, *Ibuki* teaches that if a match is not found in an item database, similar entries are retrieved and presented to the user as alternatives from which the user can make a selection. *Ibuki* does not teach or suggest searching a second bartering system on a second computer system over a network if the match is not found. Moreover, *Ibuki* is directed to a query and response system. *Ibuki* does not even mention bartering, trading, or bartering systems in this or any other section of the reference.

The Examiner also cites to *Ibuki* at paragraph [0079] which states:

[0079] If an exact match is not found in the item DB through the item-by-item search, the item DB is searched for a value similar to the value (step S44). If a similar value is found in the item DB (step S45), the value is presented to the user to suggest replacing the value specified by the user as criteria with the presented value and prompt the user to confirm the suggestion. If a plurality of

similar values are found, all of them are presented to the user so that the user can select one from them. If the user accepts the selection of a value, the search criteria are modified accordingly (step S46). Steps S41 through S46 are repeated for all criteria items in the search criteria generated at step S40 (step S47). Then, the search criteria are provided to a search executor 14 for executing the search.

In this portion of *Ibuki*, if an exact match is not found in the item database, the database is searched for a similar value. Again, *Ibuki* only searches a single database on a single computer system. *Ibuki* does not search across multiple different bartering systems on different computer systems. Finally, the Examiner cites to *Ibuki* at paragraph [0087] which teaches:

[0087] FIG. 12 shows an example of another embodiment of the search criteria generator 13. In this example, the search criteria generator 13 presents to the user an alternative value to be specified for an item, and, if it is accepted by the user, the pair of an originally specified value and the alternative value are stored as synonymous words in an item and may be used in generating search criteria for the subsequent search requests to automatically widen the criteria.

Here, *Ibuki* discloses alternative values for search requests to widen search criteria. Again, *Ibuki* is only searching within a single item database. *Ibuki* does not search within two different bartering systems. Moreover, *Ibuki* does not even mention bartering, trading, or bartering system. Thus, *Ibuki* fails to teach or suggest the feature “responsive to a failure to find a match in the available items with the at least one needed item within the first bartering system on the first computer system, searching a second bartering system on a second computer system over a network, wherein the second bartering system uses a second bartering protocol language that is different than the first protocol language,” as claimed in claim 1.

**IV.A.ii. The proposed combination of the references, considered as a whole, does not teach or suggest the feature “constructing a representation of the needs list in the first protocol language to a common representation of the needs list to form a barter protocol language representation of the needs list, wherein the bartering protocol language enables a bartering process to be compatible across multiple different bartering systems,” as in claim 1.**

The cited references, either alone or in combination, do not teach or suggest “wherein searching the second bartering system further comprises: constructing a representation of the needs list in the first protocol language to a common representation of the needs list to form a barter protocol language representation of the needs list, wherein the bartering protocol language enables a bartering process to be compatible across multiple different bartering systems,” as claimed in claim 1. The Examiner cites to *Ibuki* at paragraphs [0077], [0079], and [0087], which

are shown above. As discussed above, *Ibuki* does not teach, suggest, or even mention searching a single bartering system or multiple bartering systems. Moreover, *Ibuki* does not teach or suggest constructing a common representation of a needs list to form a barter protocol language that enables a bartering process to be compatible across multiple different bartering systems.

**IV.A.iii. The proposed combination of the references, considered as a whole, does not teach or suggest the feature “responsive to a failure to find a match in the available items within the second bartering protocol system, searching available items in a third bartering system over the network using the barter protocol language representation of the needs list,” as claimed in claim 1.**

The cited references, when considered as a whole, fail to teach or suggest “responsive to a failure to find a match in the available items within the second bartering protocol system, searching available items in a third bartering system over the network using the barter protocol language representation of the needs list,” as recited in claim 1. As discussed above, *Ibuki* searches a single item database. *Ibuki* does not teach or suggest searching multiple different bartering protocol systems if a match is not found in the item database. In addition, *Sheets* fails to make up for the deficiencies of *Ibuki*, *Sheets* is directed towards a system for matching customers with products in inventory. The Examiner cites to *Sheets* at paragraph [0026] which states:

[0026] As mentioned previously, the system operator can prioritize the information in the deal record so that the processor 16 finds the most relevant products for the customer and prints the records out in the vehicles available report. Thus, if the deal record specifies that a particular product make, product style, product price range, and particular product options (e.g., air-conditioning) are high priority fields for a particular customer, the processor 16 will primarily search for products in the inventory file 26 which match these high priority fields. After finding these products, the system will rank the products based on any low priority fields in the deal record. For example, a customer may specify that his high priority options are General Motors sedan-type vehicles with air-conditioning, less than 50,000 miles and priced less than \$10,000 dollars; the customers may further specify that his low priority options are red automobiles with cd player, leather upholstery, and automatic windows. If a search is run for this customer all GM sedans with AC, less than 50,000 miles and priced less than \$10,000 (the high priority items) will be returned from the search in the vehicles available report. The vehicles available report will rank the results by placing all the red automobiles with cd player, leather upholstery and automatic windows (the low priority items) at the top of the list of automobiles in the vehicles available report. Products missing only one of the low priority items will be next on the list, followed by products missing two of the low priority items, and so on. At the bottom of the list would be all products containing each of the high priority items, but none of the low priority items. In addition to prioritizing the vehicles available report, the system operator may limit the number of vehicles returned by the report (e.g., list a maximum of 10 vehicles).

In this portion of the reference, *Sheets* discloses finding the most relevant products for the customer using priority fields. *Sheets* primarily searches for products in the inventory file that match high priority fields. However, *Sheets* does not teach or suggest a different bartering system or searching multiple bartering systems if a match is not found. Therefore, *Sheets* fails to make up for the deficiencies of *Ibuki*.

The Examiner also cites to *Flickinger* at paragraph [0070] which states:

The search could proceed according to a number of parameters, set by the consumer or service provider. These parameters would include any attributes of interest to the consumer, including price, tax, shipping, warranty, where when, and how manufactured, etc. There would be a default parameter, such as lowest price, and the consumer could modify the default criteria if desired. If the results of the search for comparable or "better" items/prices were found, then the consumer would be automatically notified, by email or pager for instance. Purchaser can then return the previously purchased item or cancel the order, and get the lower cost or "better" item instead. Alternatively, the service provider would perform the return/cancel action on behalf of the consumer such that the process is relatively seamless to the purchaser.

Here, *Flickinger* discloses searching according to a number of parameters, such as, price, warrant, and where the item was manufactured. Again, *Flickinger* does not teach or suggest a bartering system, multiple bartering systems, or searching multiple bartering systems over a network using a barter protocol language. Therefore, *Flickinger* also fails to make up for the deficiencies of *Ibuki* and *Sheets*. Thus, claim 1 is not obvious over *Sheets* in view of *Flickinger* and in view of *Ibuki* because the cited references, when considered as a whole, fail to teach or suggest each and every feature of claim 1.

#### **IV.A.iv. The Examiner Fails to Present a *Prima facie* Case of Obviousness Because the Examiner Has Not Stated a Proper Reason to Combine the References.**

Additionally, the Examiner failed to state a *prima facie* obviousness rejection against claim 1 because the Examiner failed to state a proper reason to combine the references under the standards of *KSR Int'l*. The Examiner states that the references would be combined because "combining these references would be to present to the user an alternative value to be specified for an item in order to automatically widen the search criteria as illustrated by *Ibuki*". Office Action dated June 10, 2008, page 5. However, the Examiner has only offered an advantage rather than a reason to combine the references. Moreover, as shown above, the cited references simply do not teach or suggest the features of claim 1. Therefore, the reasoning provided by the Examiner to combine the references rests on inherently flawed reasoning. For this reason, the Examiner did not state a proper, rational reason to combine the references as required by *KSR Int'l*. Accordingly, the Examiner failed to

state a *prima facie* obviousness rejection against claim 1 or any other claim in this grouping of claims.

#### **IV.A.v. A combination of the cited reference would not result in the features recited in claim 1.**

A person of ordinary skill in the art would not find it obvious to combine and modify the references in the manner necessary to reach the presently claimed invention in claim 1 because a combination of the references would not result in the invention in claim 1. A combination of *Sheets*, *Ibuki*, and *Flickinger* would only result in a system for matching customers with products in inventory using specified values and alternative values to widen the search criteria, as well as priority fields to find the most relevant products. A combination of the cited references would not construct a barter protocol language or search across multiple different bartering systems. Therefore, the features in claim 1 are not obvious over the combination of the cited prior art references.

#### **IV.B. Dependent Claims 2, 5, 7, 9, and 23**

If an independent claim is non-obvious under 35 U.S.C. §103, then any claim depending therefore is also non-obvious by virtue of their dependency. *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988). Therefore, claims 2, 5, 7, 9, and 23 are not obvious over the proposed combination of the cited references at least by virtue of their dependency.

#### **IV.C. Dependent Claim 6**

The Examiner has rejected dependent claim 6 as being unpatentable over *Sheets* in view of *Flickinger* and in view of *Ibuki* and further in view of *Geary*. As discussed above, the proposed combination of *Sheets* in view of *Flickinger* and in view of *Ibuki* fails to teach or suggest the features of claim 1. In addition, *Geary* fails to make up for the deficiencies of *Sheets*, *Flickinger*, and *Ibuki*. *Geary* is directed towards searching databases for information. *Geary* at column 2, line 59-column 3, line 3 teaches:

In one embodiment of an apparatus and method made in accordance with the invention, a series of search engines is programmed for running on a digital computer. The search engines may rely on both deterministic and fuzzy logic. Search terms may be adapted by methods such as exchanging them with synonyms, truncation, swapping information between fields searched, searching by key words, use of complex indices to rapidly move between different databases, and to broaden the scope of a search and to find elusive relationships between otherwise unrelated fields in different databases, and to selectively ignore or modify search terms that narrow a search excessively.



Here, *Geary* discloses search engines that rely on deterministic and fuzzy logic to find elusive relationships between otherwise unrelated fields in different databases. Although *Geary* discloses searching different databases, *Geary* does not teach or suggest a bartering system, searching a second bartering system on a second computer system or searching a third bartering system if a match is not found in a first bartering system on a first computer system. Thus, *Geary* fails to make up for the deficiencies of *Sheets*, *Flickinger*, and *Ibuki*. Therefore, at least by virtue of dependency on claim 1, claim 6 is not obvious over the cited references.

#### **IV.D. Dependent Claims 4 and 8**

The Examiner has rejected dependent claims 4 and 8 as being unpatentable over *Sheets* in view of *Flickinger* and in view of *Ibuki* and further in view of *Lefebvre*. As discussed above, the proposed combination of *Sheets* in view of *Flickinger* and in view of *Ibuki* fails to teach or suggest the features of claim 1. In addition, *Lefebvre* fails to make up for the deficiencies of *Sheets*, *Flickinger*, and *Ibuki*. *Lefebvre* is directed to a tariff system. *Lefebvre* at paragraph [0017] teaches:

[0017] In the present invention, the real-time tariff and import data system may be accessed by any of a variety of client device configurations, such as Web user client, a Java client 102B, and an XML client. Regardless of the configurations of the client device, communication between the client device and the real-time tariff and import data system is preferably accomplished using standard communication and format protocols and languages, such as the Internet Protocol and XML. Additionally, communication using encryption and access control mechanisms may be used.

*Lefebvre* teaches a tariff system that may be accessed using a Web user client and the Internet Protocol. However, *Lefebvre* does not teach or suggest a barter system or searching multiple different barter systems. Thus, *Lefebvre* fails to make up for the deficiencies of *Sheets*, *Flickinger*, and *Ibuki*. Thus, *Sheets*, *Flickinger*, *Ibuki*, and *Lefebvre*, when considered as a whole, fail to teach or suggest the features of claims 4 and 8, at least by virtue of their dependency on claim 1.

Therefore, the rejection of claims 1-2, 5, 7, 9, 23-26, 32-33, 36, 38 and 40-41 under 35 U.S.C. § 103 has been overcome.

**V. Conclusion**

It is respectfully urged that the subject application is patentable over the cited references and is now in condition for allowance.

The Examiner is invited to call the undersigned at the below-listed telephone number if in the opinion of the Examiner such a telephone conference would expedite or aid the prosecution and examination of this application.

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Respectfully submitted,

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